

September 28th, 1944

Col. J.C. Mackenzie,
R.C.A.M.C. Headquarters,
Elgin Building,
Ottawa.

Dear Colonel Mackenzie:

According to our discussion at the committee meeting at McGill on the morning of the 18th, I am writing to you further about the agreement for the operation of the temporary Annex which it is proposed to build adjacent to the Neurological Institute.

The need for this annex will be maximum in the next three or four months. Therefore, we would urge that immediate action be taken to start the construction, even if all details of agreement can not finally be made at once. The architect and contractor are ready to start almost immediately. You understand that the internal alterations to the M.N.I. that McGill is making to enlarge x-ray and operating room facilities are now being put forward.

In regard to the hospital charges for service patients, it was proposed that a per diem payment should be made to the Neurological Institute for the combatant service cases, the same as the Department of Pensions and National Health is at present paying. This per diem payment amounts to \$11.00 for officers and \$5.50 for other ranks. This covers everything except professional fees of the physician or surgeon in charge. It is understood, of course, that reconsideration of the amount of this hospital per diem charge may be taken up should costs alter with the passage of time.

Regarding the professional charges of the medical men, you made two suggestions: first of all that they be remunerated by being called up and put on a salary basis by the Army; the second suggestion was the payment of a per diem charge for professional care on all service patients. There is, of course, the third possibility that these payments be made on the same basis as for the Department of Pensions and National Health.

We would prefer this third alternative, as it would place all service cases, before and after discharge, on an equal footing, and as it promotes rapid turn over and return of patients to regular service hospitals. This arrangement is that operation or consultation is paid for according to D.P. & N.H. tariffs for those who qualify as consultants.

If, on the other hand, it is proposed to call up certain individuals at the Neurological Institute and pay them a salary, it would be necessary to call up those individuals who carry the heaviest load, e.g., the three surgeons, Cone, Elvidge and Penfield, two neurologists, either Dr. Colin Russel or Dr. Francis McNaughton and Surg. Lt. Commander Preston Robb, now Acting Registrar; also, perhaps, the radiologist, Dr. Arthur Childe. Some additional arrangement should be added for remuneration of others on an occasional basis, especially when other members of our staff return from active service.

The third scheme, of paying a per diem professional charge on all patients into a pool, could be arranged. An analysis of the amount of money paid by the Department of Pensions and National Health for professional charges during the year June 1, 1943, to May 31, 1944, shows that if the Department had paid for this on a per diem basis it would have cost them \$4.50 per day for neurosurgical patients and \$2.14 per day for neurological patients.

The Executive Assistant of the Neurological Institute has estimated that if 27 beds have an occupancy of 85%, there would be 8,277 patient days per year. If the proportion of officers to other ranks be 1 to 6 (as in the past) and if the present average stay of 20 days for neurosurgery and 15 days for neurology be maintained, the 27 beds would care for 350 neurosurgical and 79 neurological patients, or a total of 429 admissions per year. This would make an average cost to the Services of \$201.00 per patient, including both hospital and professional fees.

To summarize, the above figures are obtained on the basis of a per diem hospital charge of \$11.00 for officers and \$5.50 for other ranks and a professional per diem charge of \$4.50 for neurosurgical and \$2.14 for neurological cases. The total average cost of \$201.00 per patient does not seem excessive when balanced against the saving in pensions in this difficult class of patients.

Yours sincerely,

WGP/AD